

# Budget Brief – Division of Parks and Recreation

NUMBER: NRAS-BB-06-14

## SUMMARY

The Division of Parks and Recreation is responsible for management and development of all state parks, statewide boating safety and statewide off-highway vehicle safety. Utah has 41 state parks that are a combination of heritage, scenic, and recreation parks.

## ISSUES AND RECOMMENDATIONS

The major issues for the division are: the increasing fixed costs (utilities, garbage collection), reduced ability to cover the variable operating costs, pressure to expand recreational activities without additional funding.

### *Utah Fieldhouse of Natural History Operations*

In the past three years the Utah Fieldhouse of Natural History has relied on supplemental General Fund appropriations of \$80,000. Now it is capable of generating these revenues through its operations and for FY 2007 the division is requesting an ongoing appropriation of \$80,000 from the Park Fees Restricted Account. The Analyst recommends the Committee fund this request.

### *Existing Operations*

To offset potential shortfalls in projected fee revenues, the division is requesting for FY 2006 a supplemental appropriation of \$100,000 from the Boating Restricted Account and \$200,000 from the OHV Restricted Account. The division is also requesting the same appropriation to be made ongoing for FY 2007. The Analyst recommends the Committee fund this request as follows:

- For FY 2006 a supplemental appropriation of \$100,000 from the Boating Restricted Account and \$200,000 from the OHV Restricted Account
- For FY 2007 one-time appropriation of \$100,000 from the Boating Restricted Account and \$200,000 from the OHV Restricted Account

### *Soldier Hollow Golf Course Operations*

The Soldier Hollow Golf Course went into operation in June 2004 and was projected that for the first few years it will need supplemental revenues from the General Fund to break even. The division is requesting for FY 2007 a one-time appropriation of \$120,000 from the General Fund and is anticipating that similar amount will be necessary through FY 2010.

Figure 1: Natural Resources - Parks & Recreation - Budget History

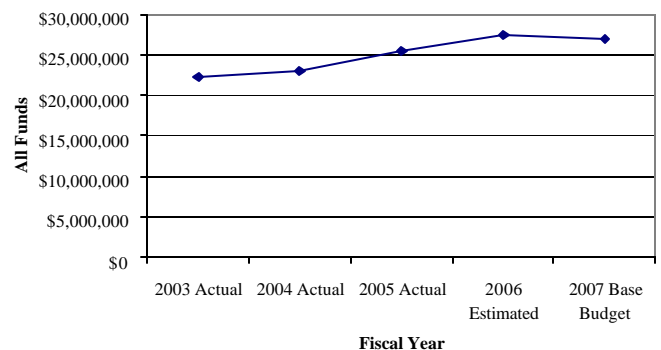


Figure 2: Natural Resources - Parks & Recreation - FTE History

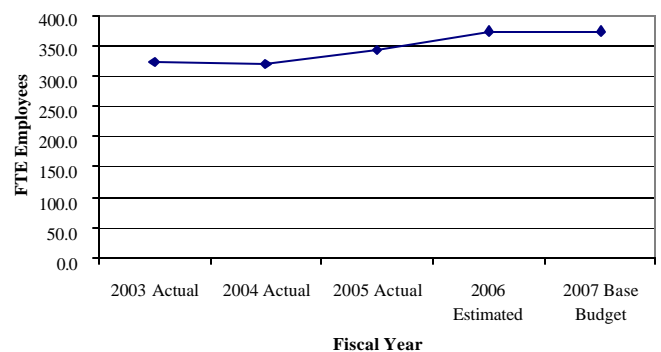
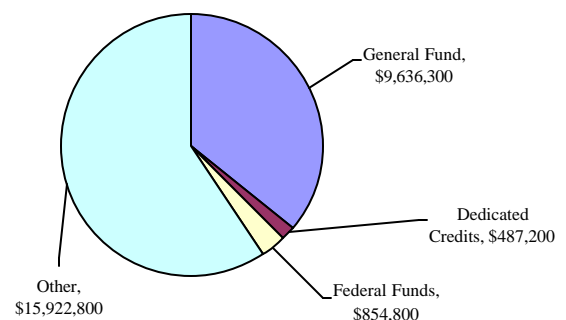


Figure 3: Natural Resources - Parks & Recreation - FY 2007 Funding Mix



**ACCOUNTABILITY DETAIL**

The number of visitors to state parks has decreased over the last 10 years while the Division's expenditures have increased.

- In FY 2005 there were 41 state parks, the same number as what the Division was responsible for in 1996. During that time the Division transferred three of its parks (relatively small) to other governmental entities and added three new parks.
- For that 10-year period, the total visitation to the state parks has declined by over 2.8 M visitors per year (40 percent). Some of the possible explanations for the decline are: the drought (it took a toll especially on the boating parks) and the September 11 terrorist attacks. The division has also expressed concerns that the visitation data prior to 2002 may not be very accurate.
- The appropriation for Parks' operations has increased since 1996 by 58 percent (from \$16.2M to \$25.6M). However, the General Fund portion of the total appropriation has increased only by \$1.1M. The revenue from fees collected per year has increased by 100 percent (\$4.6M) since 1996.
- The total number of FTE for the 10-year period has increased by 32, or 10 percent (from 338 to 373). The Division's explanation for the increase in FTE was that the three new parks required more employees than the four closed.

	Difference FY '05 - FY '96	
	Actual	Percentage Change
Number of State Parks	0	0%
Total Park Visitors per Year	-2,815,907	-40%
Operating Expenditures	\$9,469,500	58%
General Fund Portion	\$1,103,000	14%
Collected Fees	\$4,655,500	100%
FTEs	32	10%
Visitors per Field FTE per Year	-12,129	-47%

**BUDGET DETAIL*****Budget Recommendation***

At this time the Executive Appropriations Committee (EAC) has not allocated any General Funds beyond the agencies' base budgets. The Analyst recommends the Appropriations Subcommittee consider the Analyst's recommendations in the Issues and Recommendations section of this Budget Brief and develop a funding priority list for the EAC. None of the requests for funding increase are built in the tables and charts of this Budget Brief.

The Analyst recommends for the Parks and Recreation Operation line item for FY 2007 a base budget appropriation of \$26,901,100, with \$9,636,300 from the General Fund (see Budget Detail Table).

***Intent Language***

*It is the intent of the Legislature that any appropriation of a management fee to the This is the Place Foundation not to exceed \$700,000.*

**BUDGET DETAIL TABLE**

Natural Resources - Parks & Recreation						
Sources of Finance	FY 2005 Actual	FY 2006 Appropriated	Changes	FY 2006 Revised	Changes	FY 2007* Base Budget
General Fund	8,526,000	9,636,300	0	9,636,300	0	9,636,300
General Fund, One-time	294,900	200,000	0	200,000	(200,000)	0
Federal Funds	1,268,800	854,800	0	854,800	0	854,800
Dedicated Credits Revenue	326,600	487,200	0	487,200	0	487,200
GFR - Boating	3,366,500	3,437,200	0	3,437,200	0	3,437,200
GFR - Off-highway Vehicle	2,477,400	2,756,200	0	2,756,200	0	2,756,200
GFR - State Park Fees	9,297,900	9,672,300	0	9,672,300	(7,800)	9,664,500
Transfers	28,400	49,900	0	49,900	15,000	64,900
Beginning Nonlapsing	328,700	0	371,500	371,500	(371,500)	0
Closing Nonlapsing	(371,500)	0	0	0	0	0
Lapsing Balance	(55,100)	0	0	0	0	0
<b>Total</b>	<b>\$25,488,600</b>	<b>\$27,093,900</b>	<b>\$371,500</b>	<b>\$27,465,400</b>	<b>(\$564,300)</b>	<b>\$26,901,100</b>
<b>Programs</b>						
Director	272,300	370,700	(98,100)	272,600	(100)	272,500
Board	17,200	16,800	0	16,800	(100)	16,700
Park Operations	19,380,100	20,410,900	468,200	20,879,100	(561,200)	20,317,900
Comprehensive Planning	332,400	368,700	(89,700)	279,000	(200)	278,800
Administration	562,900	617,000	97,300	714,300	0	714,300
Design and Construction	465,700	500,600	(19,800)	480,800	(300)	480,500
Reservations	256,100	274,400	(21,400)	253,000	(200)	252,800
Law Enforcement	132,400	175,800	124,000	299,800	100	299,900
Fiscal and Accounting	800,600	882,000	36,400	918,400	600	919,000
Boating	1,027,200	1,095,000	(97,700)	997,300	(800)	996,500
OHV	1,234,000	1,316,100	19,600	1,335,700	(1,700)	1,334,000
Grants and Trails	280,100	272,300	24,500	296,800	(400)	296,400
Park Management Contracts	727,600	793,600	(71,800)	721,800	0	721,800
<b>Total</b>	<b>\$25,488,600</b>	<b>\$27,093,900</b>	<b>\$371,500</b>	<b>\$27,465,400</b>	<b>(\$564,300)</b>	<b>\$26,901,100</b>
<b>Categories of Expenditure</b>						
Personal Services	15,420,600	17,385,300	(196,300)	17,189,000	(76,700)	17,112,300
In-State Travel	157,100	178,500	36,800	215,300	0	215,300
Out of State Travel	27,100	94,500	(59,000)	35,500	0	35,500
Current Expense	6,941,100	6,180,900	202,800	6,383,700	(487,800)	5,895,900
DP Current Expense	270,700	110,200	68,100	178,300	0	178,300
Capital Outlay	713,500	895,700	375,200	1,270,900	200	1,271,100
Other Charges/Pass Thru	1,958,500	2,248,800	(56,100)	2,192,700	0	2,192,700
<b>Total</b>	<b>\$25,488,600</b>	<b>\$27,093,900</b>	<b>\$371,500</b>	<b>\$27,465,400</b>	<b>(\$564,300)</b>	<b>\$26,901,100</b>
<b>Other Data</b>						
Budgeted FTE	341.4	371.9	2.0	373.9	(0.9)	373.0

\*Does not include amounts in excess of subcommittee's state fund allocation that may be recommended by the Fiscal Analyst.